Chief of Naval Operations

Adm. Gary Roughead delivers remarks at the

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I really do appreciate the opportunity to come and talk a bit about the Navy, about the environment that we are in and that we will likely be in, in the foreseeable future. I really appreciate the opportunity to do this. The last time was October of 2009 as my records show. It was a little different environment back then. I think that it's clear that the budgetary environment was not the same as it is or will likely be in the future. I will also tell you that the time has flown by and the Navy has been extraordinarily busy during that period of time. I'm going to drop back just a little bit to set the stage for how things are going and how I see that future. As many know, we issued a Maritime Strategy about three and half years ago with the Coast Guard and with the Marine Corps and have held pretty true to that, I believe. I have found it extraordinarily useful as I've engaged internationally and we've built this idea of the global maritime partnership.

A data point there that I think is not insignificant: every two years that we pull together, the navies of the world, at our war college in Newport. In 2007, we had 67 countries that came to Newport. In 2009, we had 102 countries come. That is not an insignificant gathering, but I think it shows how there is a need for navies to come together, for maritime forces to come together, because we all have an interest on how things are moving on the planet, the trade, the resources and it really has allowed us to frame the discussion about global maritime partnerships quite well. I've also found it very helpful, not just inside the world in which I would appear in Washington, but also as we engage with others on being able to talk about the capabilities that the Navy needs in the context of that strategy. Basically, it said that we would be a global force, and that we would be forward, that we would be a force for deterrence – and many folks would immediately think about our leg of the nuclear triad, our ballistic missile submarines. And important to be sure, but I can argue that two carriers in the North Arabian Sea, that's deterrence as well. So forward, global, deterrent, but also to be able to exercise and project power, to be able to control the sea – kind of the fundamental dimensions of what the Navy is and what navies are.

But then with the strategy we also added in two more – maritime security, because we saw a compelling need for the partnerships, the structures, the ability to share information, to enhance the maritime security of the planet. And then we also added humanitarian assistance/disaster response. Disaster response really is nothing new for navies. We've responded to disasters since the first time people starting going to sea. But the humanitarian assistance is more proactive. It really found its true genesis in the aftermath of the tsunami of 2004 when, although we responded quite well and brought a lot of relief to a very wide area of devastation, we realized that if we had more proactive relationships, if we worked together, if we had better partnerships with non-governmental organizations, that we would respond even better. So that's what the strategy called for.

A couple of months ago I happened to be with a group, not unlike the one here today. And I was asked a question: is the strategy still valid, are you going to change it? The timing of it was pretty interesting because at that time I knew that we were going into Libya, but it was not out in the public domain. And so when I thought about that question and I thought to myself – is the strategy valid and what is it that we are doing today? The deterrent force was out on patrol. We were globally deployed as we are any day. About 40% of the Navy's ships, submarines and aircrafts are deployed on any given day, which is a pretty high number as you have to manage that rotation. And we had the ships and submarines positioned off Libya ready to project power. So there are three of the capabilities that we talked about. We were basically doing sea control in that area as we were monitoring that which was operating in the Gulf of Sidra and along the Libya coastline. So there's four. If you moved a little further to the east and south, we with 14 other countries were doing counter piracy operations - that's maritime security. And at that same time, we were a couple of days into the humanitarian assistance into Japan. And so it was a pretty good spread of what the Navy does and what we said we needed to be able to do and most importantly, I think, what the Navy continues to be able to deliver every day.

We do that with a force today that is 285 ships, the smallest Navy that this nation has had since 1916. I think our global responsibilities weren't quite what they are today. There 328,000 active Sailors in the Navy, about 65,000 reserve and 160,000 Navy civilians. On any given day about 65,000 of those Sailors will be deployed and that's the pace that we keep working. We continue to maintain about 12,000 or 13,000 Sailors in Afghanistan as part of the forces there. We have construction battalions, explosive ordnance disposal, of course our SEALs are there and continue to be a very high-end force that can do great work when they are called upon to do so. And then we have changed how we deploy our people as, what we call, Indvidual Augementees. Good people, good Sailors who go forward and are assigned in places in support of the ground forces where there might not be that resource in the ground force to accomplish that job and we've been doing that now for about nine years and that pace has continued on. I think as I look back over

the time that I've had the privilege to do what I do, it's been a pretty interesting four years. There have been a lot of changes, there clearly have been demands for the Navy and we have answered those demands at every turn.

To talk a little bit about the future and not necessarily things such as current readiness: One of the things I need to do is look into the future and try to design the type of Navy that the nation will need in the future. When I came into the position, it was clear to me that those of you that follow the defense industry, the defense budgets, you know it's a pretty nice sine curve that moves up and down and my sense was that we were following an inflated high or we had been riding an inflated high for quite awhile and on my watch it would likely be the point where I pushed the stick forward and we'd start over. And so what we tried to do as we looked to that future was to get as much stability in our programs as we possibly could and I think we've done a fairly good job in doing that.

If you look at our submarine force, this year we moved to two Virginia-Class submarines in Europe. We got the price down to where we said we would get it down to, so that we could begin that two submarines a year. We continue, in cooperation with our UK allies, to design the next strategic deterrent, the Ohio replacement. And so the submarine programs are moving along. If you look at the surface ships that the Navy will be building we, before Christmas, got the green light to go ahead and do a block-buy of 20 Littoral Combat Ships. It took about three years to get that program in place where we got the confidence to be able to get that agreement with Congress and so we have opted to go with both variants of that ship, two shipyards will be producing and we'll end up with 20 of those. We've restarted the DDG 51 line because that's the ship line that is really going to be the workhorse for ballistic missile defense and integrated air and missile defense. The DDG 1000, in my mind, was not that ship and for that reason we truncated it to restart the DDG 51. We are also building a Joint High Speed Vessel and in this past year the Army, who was also was in the Joint High Speed Vessel program, transferred all the ships to the Navy and we will operate it as one fleet, which I think is a much more efficient way to do business. We also are building something called a Mobile Logistics Platform which adds to the sea base and the ability to move things from sea to shore in greater quantities and more effectively. We continue to build amphibious ships, both LHA and then also the LPD 17 that I believe that we now have gotten some of the initial quality programs sorted out and those ships are going to be extremely helpful. And I know the Marines like them very much and that means a lot to us.

But I think the area that is probably the most significant and where we're really renewing ourselves is in naval aviation. If I was a young person coming into the Navy today, going into

aviation, I'd be pretty excited. If you look at what we're doing, every single line is new. Whether it's the Joint Strike Fighter where our C variant is down in the Patuxent River testing well, or the additional Super Hornets that we purchased to fare in that gap that we have in strike fighters. The addition of four more squadrons of electronic attack has been pushed to us, those are going to be put into production and played very well in the Libyan operation. They were flying in combat operations in Iraq. We recovered from a combat operation in Iraq and moved them to Aviano, Italy, and they launched on a combat mission into Libya within 47 hours. That's agility, flexibility and great capability that allows you to go in and break down those air defense systems if you want to be able to operate with (inaudible).

The P-8, the replacement for the P-3 is in test at the Patuxent River. Two new helicopter lines, the 60-S and the 60-R, are in production and deployed. We have three unmanned vehicles, aerial vehicles that are flying. The Fire Scout, our unmanned helicopter, has deployed on a frigate operated off the East Coast of Africa in support of our SEALs, and is now moving into the Mediterranean. We've also pushed some of those Fire Scouts into Afghanistan for the Army to use. We're flying our version of the Global Hawk that we call BAMS – Broad Area Maritime Surveillance System – and we have the production line going on that and then a couple of months ago we flew the carrier unmanned aircraft, which is a flying wing, which is technologically something quite significant as you bring a configuration like that over a little bit of a burble behind an aircraft carrier and that has flown extraordinarily well. The control system is in a Hornet as a surrogate and also in a King Air, and we're starting to do the test run on the aircraft carrier now. And our focus on the UAV's was really to focus on those aircrafts that operate from the sea. Early on we had been pulled into flying Predators and things like that. That's not our forte and so we made the decision that we were going after sea based UAV's.

I think one of the other areas that we've moved fairly boldly in the last few years is in the area that we're calling Information Dominance. Since the last time I was here, we basically have reorganized ourselves where we combined the Directorate for Intelligence and the Directorate of Command and Control into one Directorate for Information Dominance. We've moved all of our unmanned systems in there. And we have moved all of what we call information dominance to include cyber systems into the new structure and for the first time we've been able to look across the Navy without having to deal with the individual interests of what I call the 'tribes' of surface, aviation and submarines in order to make good decisions that are in the best interest of the Navy and fit best in the Joint force, and that really facilitated a lot of the work that we did with the Air Force and Air-Sea Battle, before we got into the Air-Sea Battle [project].

At the same time we reactivated the U.S. Tenth Fleet. That fleet was active in the Second World War and it was the fleet that one of my predecessors used to go after the U-Boat threat in the Atlantic. So with the creation of the Tenth Fleet, that now has global responsibilities for cyber operations, we're able to deal in that environment on a global basis as opposed to the way that things have normally been designed within the military to be more regionally focused. And then the third component of information dominance is to take all those individuals that either sense the information, analyze the information, move the information or fix that which it rides on; we have put them into a corps, we manage them as a corps and when we do it, it's 45,000 people. We cross-detail or cross-assign individuals; no longer is an intelligence officer only going to be able to command and operate an intelligence facility. They may command a cyber facility or they may command an operation center somewhere. But we're managing it as a corps and we can see the awareness of the world of information improve within the Navy.

As in all things I think that we talk about the ships, airplanes, the submarines and you can really become captured by that but the fact of the matter is that it is all about the people. They are the ones that make it all work. And I would say that those are the areas that today we're the most challenged because we face a retention problem in the Navy. When I say that to some of my predecessors they rub their chin and say 'I had a retention problem too, I know what you're going through I say, 'no you don't.' My retention problem is that I have too many people in the Navy. In fact, this summer we're going to separate 3,000 young men and women before the time that they wanted to leave. And we're going to be doing the same with some of our commanders and captains because we have too many people. So we're going to go through that process.

It has also been a time where I think we may have some fundamental changes that are very positive for the Navy and, I say, very positive for the country. We are in a process now where the first young women who will be going to submarine duty are now in submarine school. They've been through the nuclear power training which is really nothing new because they've been going to our nuclear aircraft carriers for some time but they are on their way through submarine school to report aboard their first submarines here in the fall. And then of course one of the things that all of the services have been doing is, we've been leading our way through the repeal of 'Don't Ask Don't Tell.' And the training for that has gone extraordinarily well. We are at very high levels of completion. There is nothing that has surprised me and I think we're moving into that period where we're getting very close, for me to be able to make my recommendation that will then follow with the legislative process that will repeal 'Don't Ask Don't Tell.'

The budgetary environment that we're in is clearly, I won't say what we expected - we expected it to come down, I am not sure we had the insight to be able to see just how pressurized this

budgetary environment would be. Last year in the Navy we took a good look at how we could extract some efficiencies from our programs. We initially set a target for about 24 billion dollars. We ended up at the end of the day taking out 28 billion dollars and moving those efficiencies back into our programs and into our people. We moved around 6,800 Sailors from shore activities and got them back into the operational forces. A few years ago when we did something called optimal manning, we optimized too much and we were paying the price for that. So we brought those people back and we're going to put those people back into the operational forces. We also put a lot of money into procurement. Not only in some of the traditional systems we've increased; we bought five more ships, we increased the number of aircraft that we purchased to a fairly significant number and then a lot of the money that we took we put into Information Dominance, focused largely on what many people call the 'anti-access, aerial-denial' capabilities that we're going to need. Invariably folks will say "you're talking about China." But my view is that with anti-access, aerial-denial there maybe some geographic areas where it may be more pressing, but in point of fact, the way that advanced systems proliferate around the world today, you are going to be faced with anti-access capabilities in many places where we may choose to operate. And so that's where a lot of our investments went and I am pleased with how we've been able to pull a lot of things earlier in our program so that we can then employ those globally.

So what I am going to do is stop there because I would really like to get to your questions more than anything else. Thank you very much.